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White House Already Spending Budget Surplus. . . And Not For Social Security

Nearly \$2 Billion of this Year's Surplus to Fund Operations in Bosnia and Iraq

The Congressional Budget Office recently predicted an \$8 billion budget surplus for the current fiscal year, yet even before Congress has a chance to debate how to contend with it, the White House is already spending it. Just last week, the White House sent to Congress a \$1.8 billion emergency supplemental appropriation request for operations in Bosnia and Iraq, asking that the funds not be offset. This leaves Congress with only one option — raiding the budget surplus. Meanwhile, Secretary of Defense Bill Cohen warned that “a failure to pass this supplemental will result in something I would describe as calamitous in terms of its impact upon the military.”

The Clinton Administration has dropped this request in Congress' lap — a Congress that did not authorize or appropriate funds for the current deployment in the Gulf region or for operations in Bosnia beyond June 30, 1998.

Yet, this is the president who vowed to set aside any budget surplus for Social Security: “What should we do with this projected surplus? I have a simple four-word answer: Save Social Security first. . . . I propose that we reserve 100 percent of the surplus — that's every penny of any surplus — until we have taken all the necessary measures to strengthen the Social Security system for the 21st Century [State of the Union Address, 1/27/98].

Defense Budget Stressed to its Limit by Clinton's Plans and Policies

Serious underfunding of the defense budget is nothing new. This year's defense budget marks the fourteenth consecutive year of decline for defense spending. President Clinton's \$270.6 billion FY 1999 defense budget represents a real decline of 1.1 percent from current spending levels, and marks a **39-percent drop** from the spending levels of the mid-1980s. While defense spending declines, the U.S. military continually has been asked to do more: since 1990, U.S. armed forces have been used in 36 major foreign missions, compared to 22 between 1980 and 1989.

Asking our military to do more with less is placing great strains on readiness. The Chairman of the Joint Chiefs of Staff General Hugh Shelton admitted recently:

“Since the end of the Cold War, we have used our military forces more frequently to support our security interests and conduct major operations where U.S. leadership was needed. **There is no question that more frequent**

deployments affect readiness. We are beginning to see anecdotal evidence of readiness issues in some units, particularly at the tactical level of operations" [Senate Armed Services Committee Hearing, 2/3/98].

"Anecdotal evidence" of the impact such budget cuts and increased operations have had on readiness, training, retention and quality of life are highlighted below:

- After one infantry unit returned from a peacekeeping mission in Macedonia in 1994 — after having been sent without its Bradley fighting vehicles — it received the lowest score in its division on tests of its ability to shoot and operate its Bradleys.
- In the Air Force, "mission capable" rates for some fighter jets (which measure how many planes can be ready for war on short notice) are more than 15 percentage points lower than they were in 1989.
- Increasingly, Army and Air Force units put off combat training because they are too busy with "low intensity" missions or need the money elsewhere.
- Many Air Force pilots are leaving for the more lucrative commercial sector after filling their seven-year commitment, despite cash incentives of up to \$22,000. Throughout the Air Force, pilot retention rates fell to an estimated 75 percent in 1997, down 12 points from 1995 levels.
- One particular Marine Expeditionary Unit deploys over 220 days in a 365-day period. On their few days home, they work late to keep equipment functioning.

Military Leaders Plead For Funding From Non-Defense Sources

Department of Defense officials have pleaded with Congress *not* to take the \$1.8 billion supplemental funding from defense accounts that have been slashed by the Clinton Administration, acknowledging that doing so would further erode U.S. readiness. Appearing before the Senate Appropriations Committee, General Shelton stated last week:

"To prevent such serious impacts on readiness, training, and quality of life, the Services must know by early April that they will receive non-offset funding, and they will need the actual funding by early June. If we are forced to divert funds from modernization programs, we will fall even further behind the investment goals defined last spring in the Quadrennial Defense Review."

According to General Shelton, without the \$1.8 billion, the Defense Department would be forced to cut into readiness spending, with these likely results:

- **Army:** Would have to divert money from training and maintenance; some divisions' readiness status would be reduced due to the loss of combined arms training.

- **Air Force:** Would have to reduce peacetime flight training early in the fourth quarter for flight crews not engaged in contingency operations, and readiness status of other combat aircraft units would be degraded. The shortage of pilots (because of the retention problem) would be further aggravated.
- **Navy:** Would have to postpone shipyard maintenance on 22 ships, affecting future schedules and degrade reliability and long-term life of the ships. Readiness of non-deployed carrier air wings would slip because of the impact of training and maintenance.
- **Marine Corps:** Would have to defer important maintenance, take money from family housing projects, and postpone Southern California storm damage repairs.

But even as the military pleads its case, a Senior Defense official admitted they have already been compelled to borrow from fourth quarter readiness accounts. The supplemental is being sought to restore these funds.

Contingency Operations: An Open-Ended U.S. Commitment?

The Clinton Administration has sent U.S. soldiers on more nontraditional missions than ever before: peacekeeping operations in Somalia (where 18 U.S. Army Rangers lost their lives), Haiti, and Bosnia, and providing humanitarian assistance in Rwanda. Some 42,500 U.S. troops are currently deployed on two operations — 8,500 soldiers in Bosnia with no withdrawal planned (with the number decreasing to 6,900 soon) and 34,000 soldiers in the Gulf region for an indeterminate time, for which the Administration is requesting emergency supplemental funding. But neither of these operations is likely to be short-lived or cheap.

For instance, in 1995, President Clinton vowed that the U.S. troop deployment to Bosnia “**should and will take about one year**” [Televised White House Address, 11/27/95]. Initial estimates put the cost at \$1-2 billion. Three years later, U.S. troops remain in the former Yugoslavia and the Administration now admits “**we do not propose a fixed end date for the deployment.**” According to Senator Pete Domenici (R-NM), the total Department of Defense costs for Bosnia, from the original troop deployment in 1995 up to June of 1998 has been \$6.4 billion. In addition, the United States has spent \$1.3 billion for the “nation-building” effort, under the international affairs budget. And these costs will certainly continue to grow.

For the Persian Gulf operation, the Administration is requesting \$1.4 billion in supplemental appropriations, but, as Secretary of Defense Bill Cohen admitted before the Appropriations Committee:

“...The supplemental being requested for Southwest Asia really only keeps our forces at their current level, not counting on any sort of a military action itself. It doesn’t take into account the deployment costs or the return costs or the reconstitution costs, and we may have to look at those costs in ‘99. But if we were to have to exercise that military option,

obviously we would have to come back and say there's a big bill involved in that."

The likelihood that the Administration will be back for more money to support both the Bosnia and Gulf operations led Senator Robert C. Byrd (D-WV) to state during that hearing:

"The deployments to Bosnia and the Middle East we're supporting here are in the nature of permanent deployments of U.S. forces, based on permanent emergency funding. The pressure to end these deployments or to establish reasonable durations, exit strategies, and endgames, is dissipating rapidly. There are no tradeoffs with other programs, no pain that provides the pressure to transform and end them."

U.S. Bearing Brunt of Costs

Equally disconcerting to some Members is how the United States is bearing the brunt of costs for these missions. Chairman Stevens stated, "We're paying about half of the costs of the Bosnia operation, and now we're going to pay more than 90 percent of the costs of the Iraq operation." At the same hearing, Chairman Ted Stevens (R-AK) also said:

"Unlike our deployment to the Gulf eight years ago, we now find ourselves virtually alone in paying the bills to meet the threat posed to our allies in the Gulf. Our Arab allies have not publicly endorsed the use of military force against Iraq. And our Arab allies, who are really the ones in immediate harm's way from Saddam Hussein, to my knowledge have not provided any increased support for our military forces.

"In fact, it's my understanding they're not providing even the fuel and water necessary for the Air Force and the Army units we've already sent to Saudi Arabia and Kuwait over the past three months."

And while the Clinton Administration claims U.S. force deployments underpin U.S. leadership in the world, Senator Byrd made the observation that, "In Iraq, we're not showing leadership. We haven't been showing leadership. We have been tagging along after the United Nations. We get our orders and our instructions and our recommendations apparently from the U.N."

How Much More of the Surplus Will These Contingency Operations Need?

Like a child who wants to have his cake and eat it too, President Clinton is declaring he can set aside the \$8 billion surplus to save Social Security even as he spends the money on various ill-conceived military operations. The current supplemental request for the operations in Bosnia and the Gulf region is \$1.8 billion, but will inevitably rise as U.S. forces continue their open-ended peacekeeping missions, possibly launch an attack against Iraq, and are called upon to deal with other conflicts as they arise elsewhere in the world.

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